A side by side comparison of the two taxing ideas.

Assume a hydroponics facility with a value of \$25 million and a local millage rate of 40 mills.

#### **CURRENT TAXES**

### CASWELL PROPOSAL

The taxable value of the facility is 50% of the true cash value or \$12.5 million.

Taxes would be calculated for this facility by using 25% of the millage rate or 10 mills. Multiplying \$12.5 million by the 10 mills(.010) yields a tax of \$125,000.

### FUNCTIONAL OBSOLESCENCE PROPOSAL

If a functional obsolescence factor of 60% is used then we would multiply the\$25 million by 40% to get the true cash value. This would yield \$10 million. The taxable value of the facility would be 50% of this true cash value or \$5 million. Taxes would be calculated for the facility by multiplying \$5 million by the 40 mills(.040) which yields a tax of \$200,000.

## **NEW TAXES AFTER IMPLEMENTATION**

Assume a millage is passed for 6 mills to build a new school

### CASWELL PROPOSAL

The facility would pay taxes of \$12.5 million times 6 mills(.006) for a tax of \$75.000.

# FUNCTIONAL OBSOLESCENCE PROPOSAL

The facility would pay taxes of \$5 million times 6 mills(.006) for a tax of \$30,000.

As you can see, for new millages these bills before you will raise much more tax money. This means that a lower millage rate can be levied on the taxpayers in that jurisdiction and the same amount of taxes can still be raised. This helps to provide tax relief on an on-going basis for everyone.

2011# of FIP Independents     2014# of FIP Independents     2014# of FIP Independents     % Decrease     Comparsion to Branch Council 19,785       302,924     119,785     60%     63%       1,204     222     82%     7%       4,953     1,709     65%     7%       1,045     313     70%     57%       4,809     2,236     54%     67%       8,698     2,848     67%     41%       1,678     986     41%     60%       1,130     350     69%     69%	7     2011 # of FIP Independents     2014 # of FIP Independents     2014 # of FIP Independents     2014 # of FIP Independents     % Decrease     Comparsion to Branch Country       1     302,924     119,785     60%     63%     73%       1     1,204     2.22     82%     73%     70%     73%       1     1,204     2.22     82%     73%     70%	6	Changes	Changes in FIP Independents from EV 2011 to EV2014	+0 EV204 4	
302,924     119,785     60%     Comparsion to Branch Countries       5,164     1,886     63%     63%       1,204     222     82%     7%       4,953     1,709     65%     7%       1,045     313     70%     70%       4,809     5,76     5,7%     5,4%       8,698     2,2848     67%     41%       1,678     986     41%     60%       1,130     350     69%     69%	302,924     119,785     60%     Comparsion to Branch Countries       5,164     1,886     63%     63%       1,204     222     82%     73%       4,953     1,709     65%     73%       1,045     313     70%     70%       4,809     5,76     57%     57%       8,698     2,236     54%     67%       1,678     986     41%     60%       2,719     1,086     60%     69%       1,130     350     69%     69%	ounty	2011 # of FIP Independents	TTOZ III III III III III III III III III I	TO FY 2014	
5,164     119,785     60%       5,164     1,886     63%       1,204     222     82%       4,953     1,709     65%       1,045     313     70%       4,809     576     57%       8,698     2,236     54%       8,698     2,848     67%       1,678     986     41%       2,719     1,086     60%       1,130     350     69%	302,924     119,785     60%       5,164     1,886     63%       1,204     222     82%       4,953     1,709     65%       1,045     313     70%       4,809     5,76     57%       8,698     2,236     54%       1,678     986     41%       2,719     1,086     60%       1,130     350     69%	£1.50		2014 # of FIP Independents	% Decrease	Comparsion to Branch County
5,164   1,886   63%     1,204   222   82%     4,953   1,709   65%     1,045   313   70%     4,809   5,76   57%     8,698   2,848   67%     1,678   986   41%     2,719   1,086   60%     1,130   350   69%	5,164   1,886   63%     1,204   222   82%     4,953   1,709   65%     1,045   313   70%     1,329   576   57%     4,809   2,236   54%     8,698   2,848   67%     1,678   986   41%     2,719   1,086   60%     1,130   350   69%	רמום	302,924	119.785	80%	Allega
1,204   222   82%   73%     4,953   1,709   65%     1,045   313   70%     1,329   576   57%     4,809   2,236   54%     8,698   2,848   67%     1,678   986   41%     2,719   1,086   60%     1,130   350   69%	1,204     2,22     82%     73%       4,953     1,709     65%     73%       1,045     313     70%     70%       4,809     2,236     57%     57%       8,698     2,848     67%     67%       1,678     986     41%     60%       2,719     1,086     60%     69%	errien	5,164	7 7 886	800	
4,953   1,709   65%     1,045   313   70%     1,329   576   57%     4,809   2,236   54%     8,698   2,848   67%     1,678   986   41%     2,719   1,086   60%     1,130   350   69%	4,953   1,709   65%     1,045   313   70%     1,329   576   57%     4,809   2,236   54%     8,698   2,848   67%     1,678   986   41%     2,719   1,086   60%     1,130   350   69%	ranch	1.204	000/1	53%	23%
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		Joesph	1,130	350	%69	757